INFORMATION LETTER

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Vegetable Advisory Committee Urges Fundamental Research

The need for more fundamental research on vegetable crops was emphasized by USDA's Vegetable Research and Marketing Advisory Committee at its annual meeting in Washington February 3-6.

Farm research: The committee called for strengthened investigations of vegetable breeding, nematodes, and pesticide residues.

In vegetable breeding, the committee said, the need is for expanded genetic, cytogenetic, and applied breeding work to develop disease- and insect-resistant varieties of sweet potatoes, carrots, beans and peas, lettuce, cabbage, spinach, tomatoes, and muskmelons. This work should also lead to varieties adaptable to mechanized production and handling and possessing better qualities for processing and use.

The aim of the nematode studies would be to understand nematodes as primary invaders in bacterial and fungus-disease complexes, to develop efficient use of nematocides, and to develop nematode resistance in vegetable varieties.

The committee noted that lack of information about pesticide residues in or on vegetables is still a serious obstacle to the best use of pesticides in protecting crops from insect attack.

Utilization research: Top priority in the field of utilization research was given to expanded fundamental chemical studies of vegetables. Information is needed, in the committee's opinion, on the constituents of first importance to processing quality, on the chemical changes involved in the loss of quality and nutritive value during and after processing, and on enzymes and enzyme systems that affect processing quality.

Home economics research: Top needs in home economics research, according to the committee, are for further work on USDA's food composition tables, which list the nutritive components of foods, and for new research to determine the content of selected vitamins in fresh vegetables as served and eaten in homes and in the school lunch program.

Marketing research: Further studies of the post-harvest physiology of vegetables was cited as the top need in marketing research. Expanded work on russet spot of lettuce, storage specking of cabbage, and chilling injury of sweet potatoes, honeydew melons, peppers, cucumbers and squash was urged by committee members.

Also important in the area of marketing research, the committee said, is a new study of retail handling and merchandising of tomatoes to cut costs and furnish better market tomatoes.

Detailed recommendations for vegetable research to be undertaken by USDA will be submitted formally to the Department. Copies of this report will be available from the USDA.

Russell H. Winters of National Can Corp., Chicago, acting chairman of the committee, was elected chairman.

Other committee members who attended included Morton Adams, Alton Canning Co., Inc., Alton, N. Y.; J. F. Dezauche, Dezauche & Sons, Inc., Opelousas, La.; and F. M. Smith, Stayton Canning Co., Stayton, Ore.

Low Canned Food Prices Aid Both Homemakers and Economy

Canned foods continued during 1957 to be an important stabilizing factor in the nation's cost of living. While prices for most cost-of-living items were higher and the retail price index rose 3.4 percent to a new high, the retail price level of canned foods declined, according to a review by the N.C.A. Division of Statistics.

At the end of 1957 when the index of retail prices of all foods averaged 3.3 percent above 1956, retail prices of canned fruits and vegetables were 1.5 percent lower than the average for 1956. Canned and frozen fruits and vegetables were among the few food items in the BLS index which declined in price during 1957. The retail prices of most other foods increased from 1 to 8 percent during the year.

With food costs accounting for approximately one-fourth of the total cost of living, canned foods appear all the more important as a prime anti-inflationary force in the cost of living and they continue to be a "best buy" for the housewife.

Recent low temperatures and loss of fruits and vegetables from freezing in the southern states will doubtless accentuate the importance of canned foods as an economical source of readily available nutritious food.

The current "best buy" status of canned foods at retail has not been attained at the expense of the farmer. According to USDA figures, the farmer has received approximately the same percentage of the retail price of canned foods during each of the last five years.

The items for which the largest price increases were registered in 1957 are used cars 12 percent, anthracite coal 8.6 percent, auto insurance 8.3 percent, meat 8.3 percent, new cars 5.3 percent, fuel oil 5.1 percent, gasoline 4.3 percent, medical care 4.1 percent, reading and recreation 3.8 percent, public transportation 3.8 percent, household operation 3.7 percent, and personal care 3.7 percent.

Contract Farming Increases; USDA Sees Effects Uncertain

Expansion of contract farming is described by USDA as "one of the most significant current developments in agriculture." And contract farming is likely to continue, USDA says.

"Contract farming can contribute to more efficient use of agricultural resources, but its ultimate effects on farm incomes and the welfare of farm people remain to be seen," according to USDA's Farm Economics Research Division.

Contract farming is described by USDA as "the arrangement by which farm production and commodity processing and distribution are linked closely by contracts or agreements."

USDA notes that contract farming has been applied with the greatest degree recently to broiler production, and contract deals are also being made increasingly with producers of table

eggs and turkeys and with feeders of hogs, beef cattle, and lambs.

Historically, USDA notes, contracting has been common in the production of eggs for hatcheries, vegetables for canning or freezing, sugar beets, and a number of "other specialty crops."

Broiler production has increased 35 times, from 34 million to 1.3 billion, between 1934 to 1956, "largely because of the contract method of farming," USDA said. "Broiler contracts tend to speed up the rate at which improvements developed through research are adopted by growers."

Contract farming has also expanded the size of individual broiler enterprises by making capital more readily available, relieving farmers of some of the production risks, and providing plans for efficient poultry houses and equipment, according to USDA. The result has been a gradual increase in production output per operator.

USDA notes that the phenomenal growth of broiler production has continued even through periods of unfavorable prices and that despite a somewhat unfavorable broiler-feed price ratio, it would appear that contract farming has aspects that make it attractive at a relatively low unit profit margin. USDA also said:

"Up to now, contract farming has not altered the traditional dependence of American farms on family labor, and this will probably continue to be the case. But production contracts may have a profound effect on the role of the family farm worker. In some instances, the contracting farmer may become essentially a piece-rate wage worker. Such a development would probably be accompanied by increased efforts of contract farmers to organize themselves into bargaining associations."

Marketing Control Programs

Dr. C. H. Mahoney, Director of the N.C.A. Raw Products Research Bureau, spoke on marketing agreements and marketing orders at the New York State Canners and Fieldmen's School in Geneva February 11-12. Dr. Mahoney asserted that marketing agreements and orders have not proved effective for their intended purpose, which is to increase net returns to growers; that wherever controls have been effective and prices to the grower advanced correspondingly, they have led to increased plantings and overproduction, or have led to consumer resistance to high prices and a decrease in consumption.

1957 Shipments of Metal Cans

Shipments of metal cans for food during the calendar year 1957 were below the volume shipped during 1956, according to a year-end report by the Bureau of the Census, U. S. Department of Commerce.

Shipments of cans for fruit and vegetable products, the principal can use, were down 9 percent from 1956. Shipments of cans for meat and poultry were down 7 percent, and shipments of cans for miscellaneous food products, including soups and baby foods, were down 3 percent.

Aggregate shipments of metal cans for all products during 1957 were 4 percent below the 1956 total.

Shipments of cans for fish and sea food were reported 2 percent larger in 1957 than in 1956, the same increase as was registered in 1956 over 1955.

	Jan.–Dec. 1956	1957
	(*short tons of steel*)	
Fruit and vegetable (including juice)	1,630,825	1,491,710
Fish and sea food	112,532	114,560
Meat (including poultry)	151,379	140,409
Evaporated and condensed milk	245,975	228,627
Other dairy products	53,124	43,641
Lard and shortening	110,385	103,599
Coffee	197,743	201,214
Soft drink	28,429	33,743
Beer	767,319	791,507
Pet food	168,086	173,317
Oil, open top	290,926	267,421
All other food (including soup and baby food cans)	481,583	467,562
All other nonfood	547,360	546,430
Total shipments	4,785,671	4,603,740

Shipments of Glass Containers

Shipments of glass containers for food during the calendar year 1957 exceeded the volume shipped during 1956, according to a year-end report by the Bureau of the Census, U. S. Department of Commerce.

Shipments of wide-mouth food containers were 5 percent greater last year than in 1956. Shipments of narrow-neck food containers were reported up 1 percent.

Aggregate shipments of all types of glass containers during the 12-month period were reported about 1 percent greater in 1957 than during 1956. Containers for food accounted for almost 40 percent of the total 1957 shipments of 142,307,000 gross.

	Jan.–Dec. 1956	1957
	(*thousands of gross*)	
Wide-mouth food (including fruit jars and jelly glasses)	37,574	39,623
Narrow-neck food	14,927	15,118

Canned Foods Publicized

Katherine R. Smith, Director of the N.C.A. Consumer Service Division, spent February 10-13 in Boston representing the canning industry and publicizing canned foods.

On February 11 she attended an industry-government buffet dinner and meeting, entitled "Peas and Q's and Sea Foods Too," with reports and talks by government and industry people. Miss Smith represented the canning industry on the program. The audience was made up of newspaper food editors, food writers, radio and television food program people, food leaders who work with the public in other fields, and industry people. The guests represented six states: Massachusetts, Maine, New Hampshire, Vermont, Connecticut, and Rhode Island.

While in Boston Miss Smith was a guest on three radio programs: The "Farm and Home" Show with Joe Kelley, station WHDH; "Yankee Home and Food Show" with Duncan MacDonald and Bill Hahn, station WMAC; and "Food Feature" of the "Housewives Protective League" show with Morgan Baker, station WEEI.

On February 20 Miss Smith will act as an advisory judge for the annual National Cherry Pie Baking Contest in Chicago. On February 21 she will attend a meeting of the Board of the Institutional Food Editors Conference in New York City, and will remain there a few days for conferences with magazine and newspaper food editors. On February 25 she will be a guest of Frances Foley Gannon on "The City's Food Guide Program," station WNYC.

1957 Pack of Canned Pears

REVISED

The 1957 pack of canned pears totaled 10,772,094 actual cases compared with the 1956 pack of 11,117,064 cases, according to a revised report by the N.C.A. Division of Statistics.

On the basis of standard cases of 24/2½'s, the 1957 pack amounted to 8,568,020 cases as compared with 8,881,358 cases in 1956.

State	1957 (*actual cases*)	1957 (*basis 24/2½*)
Washington and Oregon	4,378,851	3,394,973
California	5,922,788	4,702,398
Other states	470,455	410,649
U. S. Total	10,772,094	8,568,020

Citrus Fruit Production, Utilization, and Supply

Temperatures in the citrus area of Florida averaged below normal during January and it appears that little additional damage occurred to the citrus crop which was so badly frozen in mid-December, according to the Crop Reporting Board of USDA.

The USDA's report on February 1 conditions indicates that the 1957-58 crop of oranges and tangerines totals 116 million boxes, 15 percent below last year and 5 percent below average. But estimated production is 3.8 million boxes above that indicated on January 1, the increase being attributed to salvage of more freeze-damaged Florida oranges than previously expected.

Production of grapefruit as of February 1 is estimated at 40.8 million boxes, 9 percent below last year and 12 percent below average. Prospective production remains unchanged from a month earlier in all states.

	10-year ave. 1946-55	1956	1957 Indicated
	(thousands of boxes)		
Oranges, all	117,154	131,905	113,735
Fla.	71,770	93,000	85,000
Calif.	41,807	35,900	25,000
Tex., Ariz., La.	3,577	3,005	3,735
Tangerines, Fla.	4,710	4,800	2,400
Oranges and Tangerines, 5 states	121,864	136,705	116,135
Grapefruit, all	46,456	44,780	40,800
Fla.	33,320	37,400	32,000
Calif.	2,498	2,400	2,300
Texas	7,820	2,800	4,000
Ariz.	2,818	2,180	2,500

Utilization

Utilization of oranges to February 1 totaled 53 million boxes, approximately 9 million boxes more than a year ago for the same period. Utilization for fresh market was practically the same in both years at 18 million boxes, but this year 35 million boxes had gone to processors by February 1 compared with 26 million boxes to the same date last year. This greater utilization occurred in Florida, where the utmost effort was made to salvage freeze-damaged fruit.

Utilization of grapefruit to February 1 totaled 20 million boxes, compared with 18 million boxes a year earlier. Utilization for both fresh market and processing was higher by 1 million boxes each.

Supply Situation

The supply of important canned citrus products on February 1 was substantially above that a year earlier. Following is a summary of the supply situation in Florida, as reported by the Florida Canners Association:

	Supply to Feb. 2 1957	Supply to Feb. 1 1958	Canners' Stocks, Feb. 2 1957	Canners' Stocks, Feb. 1 1958	Shipments to Feb. 2 1957	Shipments to Feb. 1 1958
	(thousands of cases of 24-2)					
Canned:						
Orange juice	12,509	17,433	7,411	10,391	5,098	7,042
Grapefruit juice	5,658	7,091	1,934	2,890	3,724	4,201
Combination juice	2,931	4,133	1,415	2,108	1,516	2,024
Tangerine juice	670	469	468	266	202	203
Grapefruit sections	3,628	4,349	2,079	3,013	1,549	1,336
Citrus salad	369	275	145	93	226	181
	(thousands of gallons)					
Frozen:						
Orange concentrate	42,093	41,960	25,314	23,347	16,779	18,613
Grapefruit concentrate	*119	*309	n.a.	n.a.	n.a.	n.a.
Blended concentrate	*1	*4	n.a.	n.a.	n.a.	n.a.
Tangerine concentrate	*469	*108	n.a.	n.a.	n.a.	n.a.

n.a.—not available. * pack only.

Institutions Magazine

The January issue of *Institutions* magazine is called the "Planning and Purchasing Annual" and includes a section titled "Canned Food Purchasing."

The first page of the canned food feature uses a table on the number of servings per can or jar of canned food. The table is reproduced from the N.C.A. Consumer Service Division's publication entitled *Canned Food Tables.*

Beginning, the article says: "Even in this day and age with no secrets in the food industry, the buying of canned goods in too many food operations is still being done in a haphazard fashion."

It goes on to quote from a well-known book on institutional buying: "'After devoting more than 25 years to the food industry servicing institutions throughout the nation, if I were asked for an expression on current Institutional buying effectiveness, I would hesitate to set a figure of even 50 percent efficiency—a startling statement in view of the fact that 40 percent to 50 percent of the menu price in most commercial eating establishments represents food cost.'"

An example of the weekly order of canned foods by a restaurant manager, representing poor purchasing habits, was given. "No standards or specifications were stated except for the size of the container. No quotations were asked or received. Since no specifications were given or any price quoted, there was no record against which the goods when received could be checked for quality, size or count, or the bills for accuracy. As was evident little thought was given to the purchasing—the lifeline of his business." A corrected order was used as an illustration, and the factors of good purchasing were discussed.

Institutions magazine goes to more than 200,000 institutions owners, operators, and key buying factors in over 40,000 institutions, and to 1,300 government army and navy offices.

Institutional Feeding and Housing Magazine

The cover of the January *Institutional Feeding and Housing* magazine titles this issue the "Cost Cutting Manual." An article in the food section is "What You Should Know When Buying Canned Foods."

"Wise buying of canned foods calls for as much know-how as buying fresh produce, meats or any other type of pack," says the article's introduction. "There are many things to consider—size, pack, grade, count, drained weight, etc. The greatest single judgment factor is how you intend to use the item on your menu."

A discussion of can sizes, grades and packs follows. "The canned food label is a buying guide. Read the labels for descriptive information about the contents of the can," states the article, going on to give specific information that is found on the label.

In the discussion on price per portion, the author points out the necessity to "consider the value of the 'built in' convenience factors when purchasing canned foods," as well as other factors. Storage of canned foods is discussed, and a chart showing the equivalents of the smaller size cans to a No. 10 is given.

Institutional Feeding and Housing goes to a national network of food jobbers and food service equipment dealers for executives in the volume feeding industry. It is read by people in restaurants, hotels, employee cafeterias, hospitals, schools, colleges, clubs, and catering organizations.

Status of Legislation

Agricultural trade development—Bills to raise Title I authorizations from $4 to $5.5 billion and to extend P. L. 480 to June 30, 1959, as requested by the Administration, were the subject of hearings by the Senate Agriculture Committee Feb. 5. H. R. 10487 (Cooley of N. C.) is pending before House Agriculture Committee.

Alaska statehood—H. R. 7999, to provide statehood for Alaska, was reported by House Interior and Insular Affairs Committee June 25, 1957. S. 49, Alaska statehood, and S. 50, Hawaii statehood, were reported by Senate Interior Committee Aug. 29, 1957.

Farmworkers housing—H. R. 9057, to provide for five-year amortization of housing facilities for farmworkers, was reported by House Ways and Means Committee Aug. 21, 1957.

FDA food additives—H. R. 6747 (Harris of Ark.) and S. 1895 (Hill of Ala.), the Administration-sponsored bill, H. R. 8390 (Harris of Ark.), H. R. 8629 (Wolverton of N. J.) and other food additives bills will be the subject of hearings by the Health and Science Subcommittee of the House Commerce Committee Feb. 18-19. N.C.A. supports H. R. 8390 and H. R. 8629.

Fisheries loan fund—S. 2720, to increase the loan fund authorization from $10 million to $13 million, was passed by the Senate Aug. 20, 1957.

Government contracts—H. R. 722, to amend the Robinson-Patman Act so as to make sales to nonprofit institutions for resale, subject to the Act, is pending before the House Judiciary Committee.

ICC agricultural exemption—S. 1689 (Magnuson of Wash.) and H. R. 5823 (Harris of Ark.), to amend the agricultural exemption in sec. 203 (b) (6) of the Interstate Commerce Act, have been introduced.

ICC private carrier definition—S. 1677 (Magnuson of Wash.) and H. R. 5825 (Harris of Ark.), to amend the definition of a private motor carrier, as recommended by the ICC, was the subject of hearings by the Senate Surface Transportation Subcommittee May 6-10, 1957.

ICC private carrier registration—S. 1490 (Magnuson of Wash.) and H. R. 5664 (Harris of Ark.), to require private motor carriers to register with the ICC annually, was approved by the Senate Surface Transportation Subcommittee April 12, 1957, and further action on the bill was postponed indefinitely.

Marketing orders—H. R. 8367 (Sisk of Calif.) is designed to authorize the Secretary of Agriculture to continue marketing orders in effect even after parity is reached. No action scheduled.

Marketing orders, cranberries—S. 1680 (10 Senators from 5 cranberry producing states) and other bills to amend the Agricultural Marketing Agreement Act so as to authorize marketing orders for cranberries for canning, were the subject of hearings by a Senate Agriculture Subcommittee April 20, 1957. N.C.A. opposes.

Packers and Stockyards Act—S. 1356 (O'Mahoney of Wyo.), to transfer antitrust jurisdiction over meat packing operations from USDA to FTC, was reported by the Senate Judiciary Committee July 18, 1957. H. R. 9020, to retain USDA antitrust jurisdiction on exclusive meat packing operations, was reported by House Agriculture Committee July 9, 1957.

Potato marketing and labeling—A number of bills to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, were the subject of hearings by the House Agriculture Committee and by the Senate Agriculture Committee in 1957. N.C.A. opposes application to canning.

Premerger notification—H. R. 7698 (Celler of N. Y.), to require 60 days notice prior to merger of corporations having total book value of more than $10 million, was reported by House Judiciary Committee May 28, 1957.

Raw product bargaining—S. 1743 (Aiken of Vt.), to legalize organized bargaining for agricultural commodities under certain conditions, has been referred to Senate Agriculture Committee; and H. R. 6799 (Bow of Ohio) and H. R. 7807 (Bentley of Mich.) have been referred to House Judiciary Committee. No action scheduled.

Robinson-Patman Act—S. 11 (Kefauver of Tenn.) and H. R. 11 (Patman of Tex.), to restrict the good faith defense against a charge of price discrimination, was approved without recommendation, by Senate Antitrust Subcommittee June 21, 1957, and is pending before the Judiciary Committee.

Trade Agreements Act—H.R. 10368 (Mills of Ark.), to amend and extend the Trade Agreements Act, will be the subject of hearings by the House Ways and Means Committee beginning Feb. 17.

Wage-Hour—S. 1853 (Kennedy of Mass.), which includes proposal to eliminate overtime fishery exemption, was approved, without recommendation, by Senate Labor Subcommittee May 7, 1957.

Waste disposal—H. R. 1082 (Byrnes of Wis.), H. R. 2463 (Lipscomb of Calif.), and H. R. 4234 (Simpson of Pa.), to allow rapid amortization of waste disposal facilities and treatment works, have been introduced. N.C.A. supports the proposal, which is before House Ways and Means Committee.

Cannery Insect Problems

Norman Olson of the N.C.A. Western Research Laboratory spoke on "Cannery Insect Problems" at a meeting of the Entomology Club of Northern California at Davis, Calif., February 7. Sources of insects important to canners, and control and detection methods were outlined. Consumer complaints and government regulations were discussed to underscore the contributions which professional entomologists can continue to make to the food preparation industries.

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